

# STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT  
FINANCE

ASSESSMENT DIVISION



INDIANA GOVERNMENT CENTER NORTH  
100 NORTH SENATE AVENUE N1058  
INDIANAPOLIS, IN 46204  
PHONE (317) 232-3756  
FAX (317) 232-8779

TO: ALL PUBLIC UTILITY COMPANIES

FROM: INDIANA DEPARTMENT OF LOCAL GOVERNMENT FINANCE (DLGF)

SUBJECT: FILING INSTRUCTIONS FOR FORM 1 & FORM 1-N

DATE: JANUARY 2006

All companies engaged in any public utility business in Indiana must file a Form 1, Tax Return-Fixed Personal Property of Public Utilities, with the local assessing official for each taxing unit where fixed personal property is located. If the public utility company owns, holds, possesses, or controls any leased or other not-owned locally assessed personal property, a Form 1-N must be filed with the local assessing official of each taxing unit where the leased personal property is located. **Public utilities no longer need to include copies of this form with their Annual Report (Form UD-45) filed with the Department of Local Government Finance (DLGF).**

The DLGF has granted an automatic extension of the due date for the Form 1 and the Form 1-N to all public utility companies until **April 3, 2006**. Further extensions must be obtained in writing from the township assessor. Failure to file the Form 1 or the Form 1-N by the required due date will result in late filing penalties. Failure to receive blank forms does not relieve any property from assessment, or any company from the duty of filing a return. Forms can be obtained from the Department of Local Government Finance or from our website.

Our website address is: [www.in.gov/dlgf/](http://www.in.gov/dlgf/)

Some types of property to be reported on the Form 1 include: Microwave towers, motor vehicles for which no excise tax has been paid, office equipment, office furniture & fixtures, inventories, and any other machinery & equipment not directly used to provide the utility service if owned by a utility company. Motor vehicles do not include passenger buses.

## **Instructions for Completing the Form 1**

### **Summary of Assessment**

The true tax value of the property shown in Schedule A shall be carried to the summary section on the front page of the return and entered under the "Assessed Value by Taxpayer" column. The true tax value of inventory and supplies is computed in Schedule B and is also carried forward to the summary section. **The assessed value will be 100% of Total True Tax Value rounded to the nearest \$10.**

### **Schedule A**

Machinery and equipment is defined as equipment that is not part of and unrelated to the production plant, distribution, or transmission system. Motor vehicles owned by a public utility company and assessed to the public utility company as personal property are not subject to motor vehicle excise tax [IC 6-6-5.5-2(b)(3)], and shall be reported on the Form 1. However, if the motor vehicle is leased from a leasing company, and excise tax has been paid on the vehicle, the vehicle will not be included on Form 1. All depreciable tangible personal property reported in this schedule shall be valued at IRS Cost Basis less accumulated depreciation, as shown on the company records. The depreciable tangible personal property is subject to a 30% minimum true tax value by location. The true tax value of construction in progress is ten percent (10%) of cost.

### **Schedule A-1**

A deduction is allowed for property placed into service in the immediate preceding twelve month assessment period. The deduction is 60% of the depreciated value of the property and is calculated in this section.

### **Schedule B**

Inventories of merchandise and materials and supplies shall be reported pursuant to 50 IAC 4.2-5. Although inventory has been exempted from taxation in all counties as of the 2006 assessment year, you must still fill this section out as you would if it were not exempt and then remove 100 percent of the value at line 9 to arrive at a \$0 True Tax Value on line 10.

### **Instructions for completing Form 1-N**

The Form 1-N is for the reporting of leased or not-owned locally assessed personal property. Schedule I is for leased property that is to be assessed to the owner. Schedule II is for leased property to be assessed to the public utility company that is holding, possessing or controlling the property. The total of Schedule II of the Form 1-N should be in agreement with Schedule A, Line 4, Column A of the Form 1.

You may obtain permission from the DLGF to use a computer generated Form 1 or Form 1-N (see, 50 IAC 5.1-3-2(f)).